

FISCAL NOTE

SB 1408 - HB 1830

April 16, 2001

SUMMARY OF BILL:

- Directs the Department of Commerce and Insurance to establish a training and certification program for all persons who act as flaggers or otherwise control or direct traffic in a state highway work zone. Any employee of the state or a contractor of the state who acts as a flagger in a state highway work zone would need certification. The program for certification would need to be in effect no later than January 1, 2002. The Department of Commerce and Insurance shall establish a fee schedule to cover the costs of training and certification. Required fees for State of Tennessee employees would be paid by the Department of Transportation from the Highway Fund.
- Provides that any contractor using a flagger who is not certified would be subject to a \$1,000 fine per flagger for each day in violation. The Department of Commerce and Insurance would assess and collect this fine, with the collected funds deposited into the General Fund.
- Directs the Department of Commerce and Insurance to promptly report to the Department of Transportation on which contractors have been assessed fines. Such information shall be updated at least monthly.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$280,000

Increase State Expenditures - \$145,000 Recurring / General Fund

\$ 65,000 One-Time / General Fund

\$ 70,000 Recurring / Highway Fund

Estimates assume:

- the bill provides that the Department of Commerce and Insurance shall establish a schedule of fees to sufficiently cover the costs of the training and certification program. It is assumed that the Department will assess an annual certification /continuing education fee.
- 4000 flaggers will be trained and certified under the provisions of this bill.
- the Department of Transportation will pay, from the Highway Fund, fees for 1,000 flaggers employed by the State of Tennessee.
- the Department of Commerce and Insurance will contract for the training of flaggers.
- the need for 4 additional positions and related expenses to implement and monitor the provisions of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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